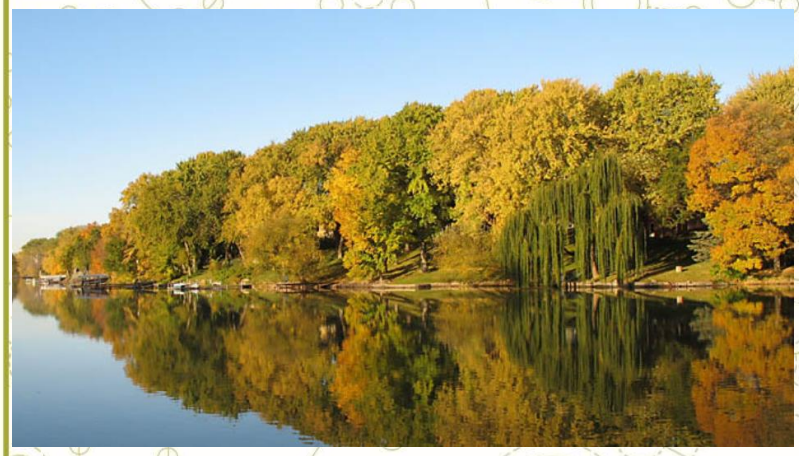
UNIVERSITY OF MINNESOTA EXTENSION

COMMUNITY VITALITY

# Potential Economic Impact of a City-Owned Campground in Fairmont, Minnesota

**A REPORT OF THE ECONOMIC IMPACT ANALYSIS PROGRAM**

Authored by Brigid Tuck



**PROGRAM SPONSOR**: CITY OF FAIRMONT

# Potential Economic Impact of a City-Owned Campground in Fairmont, Minnesota

**A REPORT OF THE ECONOMIC IMPACT ANALYSIS PROGRAM**

**July 2019**

Authored by Brigid Tuck, Senior Economic Impact Analyst

**Editor:**
Elyse Paxton, Senior Editor, Center for Community Vitality

**Report Reviewers:**
Jennifer Hawkins, Extension Educator, Center for Community Vitality
Dr. Xinyi Qian, Tourism Specialist and Extension Educator, University of Minnesota Tourism Center

**Partners:**
City of Fairmont

**Special Thanks:**
Dr. Xinyi Qian, University of Minnesota Tourism Center

# Table of Contents

UNIVERSITY OF MINNESOTA | EXTENSION

Prepared by: Brigid Tuck

# EXECUTIVE SUMMARY: POTENTIAL ECONOMIC IMPACT OF A CITY-OWNED CAMPGROUND IN FAIRMONT, MINNESOTA

The City of Fairmont is considering the potential of a city-owned lakeside campground. Understanding how the campground may affect the local economy is an important component of the planning process. University of Minnesota Extension conducted an economic impact analysis to analyze the potential economic impact of building a campground in Fairmont.

To measure the number of potential campground users, Extension used two approaches. First, Extension collaborated with Visit Fairmont (the local convention and visitors bureau). Visit Fairmont recently worked with University of Minnesota's Tourism Center to develop a visitor profile by surveying current visitors to the city. Second, Extension interviewed seven operators at city- and county-owned campgrounds in southern Minnesota. To measure spending by potential campground users, Extension used this visitor profile data.

Major findings of Extension's analysis are included below.

**Comparable Campgrounds:** A majority of city- or county-owned campground operators had between 20 and 30 sites designed for recreational vehicles (RVs) with electrical hook-ups and dump stations. All charged between $24 and $30 per night to use the campground.

Campground usage varied on weekends, holiday weekends, and weekdays. All campground operators reported being completely full during holiday weekends. Non-holiday weekend use ranged from 40 to 90 percent, depending on the park. On average, across all parks, weekend use was at 77 percent. Weekday use varied from 20 to 60 percent, with an average of 38 percent. Finally, campground operators reported use by local residents between 50 and 70 percent, with an average of 58 percent.

**Potential for Campground Use by Current Visitors:** Current visitors to Fairmont had a high awareness of the city's lakes and parks. This finding suggests a city-owned campground/park on one of the lakes would be well positioned for visitor marketing.

Of surveyed visitors whose primary destination was Fairmont, the majority (52 percent) indicated they were likely to use a lakeside campground if one was available. Approximately one-quarter would not use a campground.

**Campground User Scenarios:** Extension developed five campground user scenarios. The five scenarios were based on size and use of comparable city- and county-owned campgrounds. All scenarios assumed the campground was open 16 weekends (mid-May to mid-October) and 16 full weeks. Scenarios varied in number of sites, average number of people per slot, and occupancy rates to illustrate how these individual factors affected economic impact.

The number of campground users varied with each scenario. For example, scenario three—which assumed the highest occupancy rates—correspondingly had the most campground users at an estimated 4,392. Scenario four—which assumed the lowest occupancy rates — had the lowest number of campground users at an estimated 2,160.

**Campground User Spending:** The average campground user was estimated to spend $71 per day (including their campground fee) while camping in the proposed city-owned campground. For a family of four, this was $284 of daily spending.

**Potential Economic Contribution:** The annual potential economic impact of a lakeside campground in Fairmont ranged from a low of $187,200 (scenario four) to a high of $380,713 (scenario three).

Under scenario three, campground users would directly spend $311,800 during their stay. This would generate an estimated $40,800 in indirect (business-to-business) effects. These effects might arise, for example, as the local bakery owner—whose store is visited by campground users—has a local accountant to prepare his or her taxes. It would also generate $28,100 in induced (consumer-to-business) effects, which might arise as bakery workers use their income to pay rent or buy groceries.

**Local Versus Visitor Spending:** Sixty percent of campground users were anticipated to be local residents. Local residents using city-owned facilities are important, as they pay taxes supporting the park. Also, if they visit a campground, they are showing support for a local facility. Under scenario three, local users would generate an estimated $228,428 in economic activity.

Forty percent of users were estimated to be visitors. Visitors are important as well, as they bring new money into the economy. This is money that likely would not have been spent at local businesses if not for the presence of the campground. Under scenario three, visitors would generate an estimated $152,285 in economic activity.

**Top Industries Affected:** Industries not serving users—but feeling the largest impacts from the campground—would include real estate, construction, and wholesale trade. Indirect effects would be largest in real estate and construction. Induced effects would be highest in real estate and ambulatory health care (primarily doctors and dentists), which is not surprising, as housing and health care are major components of a household's budget.

**Notes on the Analysis:** The goal of this analysis was to determine the potential economic contribution of a campground in Fairmont. It is not a feasibility study. The analysis provides insight into the potential size, use, and economic value of a campground. It does not quantify any potential costs.

When interviewing campground operators for this study, there were two areas of potential costs—development costs and operating costs. In the short term, there would be costs associated with developing the campsites. Experienced operators recommended full hook-ups, as this is most attractive to potential campers. While not having full hook-ups can make attracting users more difficult, providing water and electric services would require a financial investment. Long term, there will be costs to operate the site. For example, there would need to be a registration system, along with a way to pay fees. Many campgrounds also have a caretaker who stays on-site and provides oversight.

Experienced campground operators also encouraged creativity for keeping the campsite occupied during the week. This is important from both a revenue standpoint and appearance perspective. A campground with activity, people, RVs, and tents is more appealing to potential users than an empty one. Ideas for attracting weekday users might include being flexible about length of stay and having park and recreation activities scheduled throughout the week.

UNIVERSITY OF MINNESOTA | EXTENSION

## PROJECT BACKGROUND

Outdoor recreation is an important part of the United States economy, generating $887 billion of spending in 2017. Camping, in turn, is a vital piece of the outdoor economy, with Americans spending $167 billion on camping trips.[1]

The City of Fairmont is considering the potential for a city-owned lakeside campground. Understanding how the campground may affect the local economy is an important component of the planning process. University of Minnesota Extension conducted an economic impact analysis to analyze the potential economic impact of a campground in Fairmont.

Measuring the economic impact of a campground requires several pieces of information. They include: 1) the number of potential campground users, 2) average spending by campground users, and 3) percent of local versus non-local campers.

To measure the number of potential campground users, Extension used two approaches. First, Extension collaborated with Visit Fairmont. Visit Fairmont is the local convention and visitors bureau, which supports and promotes tourism in the city. Visit Fairmont recently worked with University of Minnesota's Tourism Center to develop a visitor profile. To do this, the Tourism Center surveyed visitors to the Fairmont area during summer and fall of 2018. One question on the survey asked about visitors' potential use of a lakeside campground. Their responses provided insight into the number of potential visits from those outside the area.

Second, Extension interviewed city- and county-owned campground operators in southern Minnesota. According to Explore Minnesota Tourism's website, there are seven city- and county-owned campgrounds on a lake or river in the southern half of the state. Extension talked with these campground operators to determine potential size, occupancy rates, and estimates of the percent of campground sites used by local residents.

To measure spending by potential campground users, Extension used data collected by the Tourism Center. One survey question asked about visitor spending in Fairmont. Responses to this question provided an estimate of spending by potential campground visitors.

Fairmont's visitor profile provided several insights. Understanding the basics of data collection is essential. In total, the visitor profile generated responses from 739 visitors to Fairmont. Surveyors collected responses at various times throughout the summer and fall, at various locations in Fairmont, and at different activities (e.g., festivals and events). The resulting data, therefore, should accurately represent visitors of all types.[2]

## ECONOMIC IMPACT

Economic impact is comprised of direct, indirect, and induced effects. Direct effects are the initial change occurring in the economy. In this study, the direct effect is spending by users of the proposed campground. Once direct effects are identified, an input-output model can quantify the indirect and induced, or ripple, effects. Input-output models trace the flow of goods and services throughout an economy. They can then be used to measure how a change in one part of the economy will affect another. This analysis uses the input-output model IMPLAN with Type SAM multipliers and 2017 data.

---

[1] https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf
[2] Results of the Fairmont visitor profile can be found at https://extension.umn.edu/community-development/tourism.

## Direct Effects

The direct effects of a proposed city-owned campground in Fairmont include spending by the campground users. Two pieces of information are necessary to estimate campground user spending—number of expected users and spending per user. The following sections present Extension's estimates.

### Estimating Campground Users

There are two ways to estimate the number of campground users. First, one can look at comparable city- and county-owned campgrounds. Second, the Tourism Center's visitor profile asked questions regarding awareness of Fairmont's parks and potential campground usage.

#### Comparable City- and County-Owned Campgrounds

Extension identified seven city- or county-owned campgrounds on rivers or lakes in southern Minnesota. They include the following:

- Eagle's Nest Park, Watonwan County
- Sailors and Soldiers Memorial Park, City of Sanborn
- Alexander Ramsey Park, City of Redwood Falls
- Lake Washington County Park, Le Sueur County
- Oxbow Park, Olmsted County
- Prairie Island Campground, City of Winona
- Anderson Park, Jackson County[3]

Extension e-mailed and called the campground operators to obtain information on their usage and the percent of local residents using the campground. All but Eagle's Nest in Watonwan County responded. Direct contact information for the Watonwan County Park was unavailable, so requests may have not reached the correct staff member. The campground was still included in the data presented below, however, because it does represent a smaller-sized facility.

The majority of the city- or county-owned campgrounds had between 20 and 30 sites designed for recreational vehicles (RVs) (Table 1). The majority featured electrical hook-ups and dump stations. A few campgrounds also had cabins or primitive tent camping. All charged between $24 and $30 per night.

Campground usage varied on weekends, holiday weekends, and weekdays. All campground operators reported being completely full on holiday weekends (Memorial Day, Fourth of July, and Labor Day). Non-holiday weekend use ranged from 40 to 90 percent, depending on the park. On average, across all parks, weekend use was at 77 percent of capacity. Weekday use varied from 20 to 60 percent, with an average of 38 percent. Campgrounds reported use by local residents that fell between 50 and 70 percent, with an average of 58 percent.

[3] Jackson County operates five campgrounds on lakes or rivers. Anderson Park has the highest number of camping spots.

**Table 1: Information on campgrounds located on rivers or lakes in southern Minnesota**

| Park Name | Location | RV Sites | Season | Weekend/ Holiday Use | Weekday Use | Percent Local | Daily Rental Fee |
|---|---|---|---|---|---|---|---|
| Eagle's Nest | Watonwan River | 4 | | - | - | - | |
| Anderson | Pearl Lake | 25 | May-Oct. | 40% / 100% | 20% | 50% | $25, full |
| Sailors & Soldiers | Cottonwood River | 24 | May-Oct. | 50%/100% | - | High | $25, full |
| Alexander Ramsey | Redwood River | 31 | May-Oct. | 90% / 100% | 50% | 60% | $24, electric |
| Lake Washington | Lake Washington | 28 | May-Oct. | 90% / 100% | 20% | 60% | $25, electric |
| Oxbow | Zumbro River | 30 | May-Oct. | 90% / 100% | 25-50% | 50% | $30, electric |
| Prairie Island | Mississippi River | 165 | April-Oct. | 90% / 100% | 60% | 70% | $30, full |
| Average | | 28* | | 77% / 100% | 38% | 58% | |

Source: Explore Minnesota Tourism, individual park websites, and correspondence with campground operators

*Excludes top (165) and bottom (4).

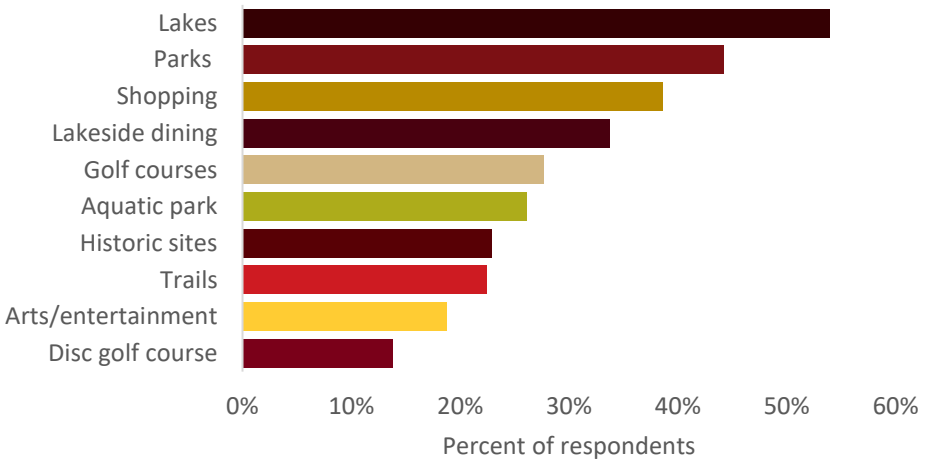
## Current Visitors

Results from Fairmont's visitor profile provided insight into the potential use of a city-owned campground.[4] Overall, results indicated Fairmont's lakes and parks are a well-known asset of the community. A lakeside campground (park) can build on visitors' current awareness of these amenities. Survey results also indicated visitors would be interested in area camping opportunities.

Current visitors to Fairmont had a high awareness of Fairmont's lakes and parks. More than 50 percent of respondents were aware of Fairmont's lakes before visiting the city (Chart 1). Forty-four percent of respondents knew about the city's parks. This finding suggests a city-owned campground/park on one of the lakes would be well positioned for visitor marketing.

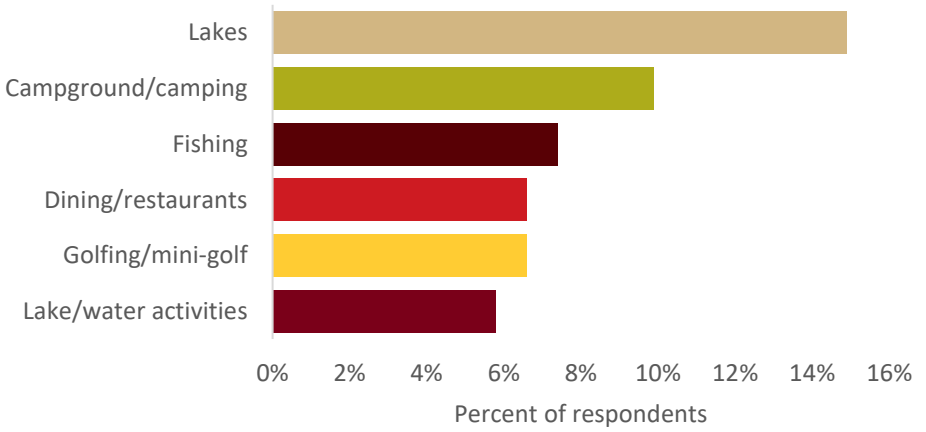
[4] In total, the visitor profile gathered responses from 739 visitors to Fairmont. The survey process collected responses 1) at various times throughout the summer and fall, 2) at various locations in Fairmont, and 3) at various activities (festivals and events).

**Chart 1: Awareness of amenities in Fairmont prior to arrival (n=739)**



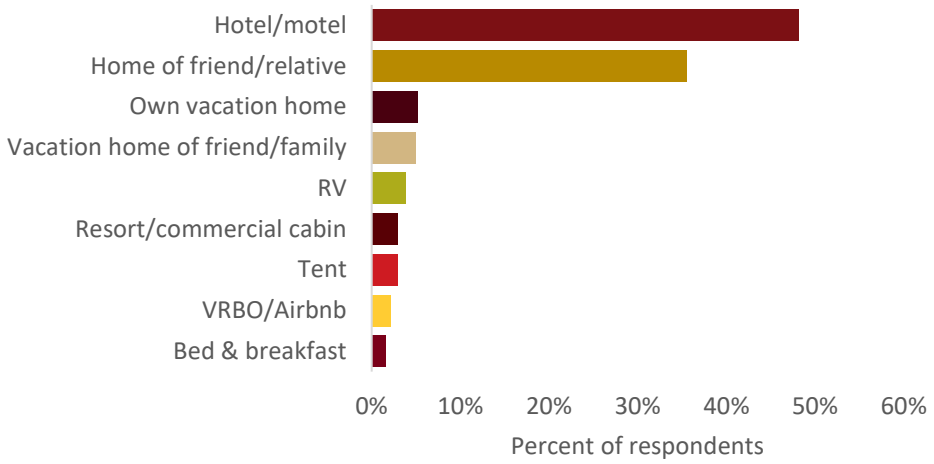

In addition, visitors indicated that both lakes and expanded camping opportunities would encourage them to stay longer in Fairmont (Chart 2). Of the 229 survey respondents, 16 percent indicated the lakes and 10 percent indicated a campground and/or camping.

**Chart 2: Tourism activities or attractions that would attract visitors to stay longer in Fairmont, summer season (n=229)**



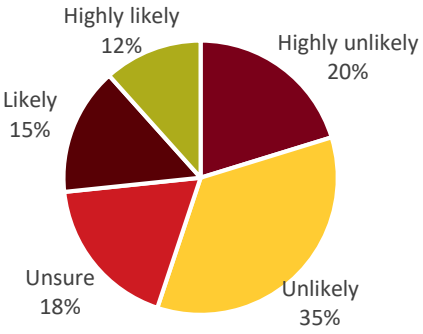

Most Fairmont visitors (80 percent) stayed overnight in Fairmont. Of those staying overnight, nearly half stayed in a hotel or motel (Chart 3). Nearly 7 percent of current visitors camped—3.9 percent in an RV and 2.9 percent in a tent. This finding indicates some demand for camping in the area.

**Chart 3: Type of lodging used by current Fairmont visitors (n=590)**




Among all visitors to Fairmont, 27 percent indicated they would consider using a lakeside campground if one was available (Chart 4). More than half (55 percent) indicated they were unlikely to use one.

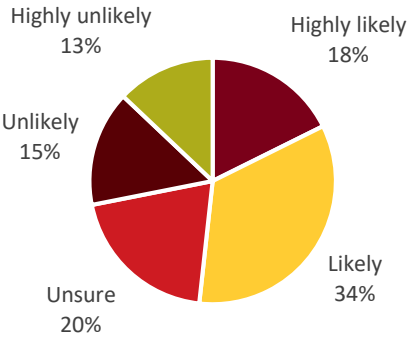
**Chart 4: Likelihood of using a lakeside campground in Fairmont, all visitors, n = 672**




Fairmont attracts a significant number of visitors passing through on their way to other final destinations. These type of visitors typically stay one night in a hotel or motel and are not likely interested in camping.

Of the 402 visitors whose primary destination was Fairmont, the majority (52 percent) indicated they were likely to use a lakeside campground if one was available (Chart 5). Approximately one-quarter would not use a campground.

**Chart 5: Likelihood of using a lakeside campground in Fairmont, visitors whose primary destination is Fairmont, n = 402**




## Campground User Scenarios

Extension developed five campground user scenarios. The five scenarios were based on size and use of comparable city- and county-owned campgrounds. All scenarios assumed the campground was open 16 weekends (mid-May to mid-October) and 16 full weeks. Scenarios varied in number of sites, average number of people per slot, and occupancy rates to illustrate how these factors affected economic contribution.

The scenarios were as follows:

- Scenario one: 30 slots, three people per slot, 75 percent occupancy on weekends, 25 percent occupancy during week
- Scenario two: 20 slots, three people per slot, 75 percent occupancy on weekends, 25 percent occupancy during week
- Scenario three: 30 slots, three people per slot, 90 percent occupancy on weekends, 25 percent occupancy during week
- Scenario four: 30 slots, three people per slot, 50 percent occupancy on weekends, 10 percent occupancy during week
- Scenario five: 30 slots, two people per slot, 75 percent occupancy on weekends, 25 percent occupancy during week

The number of campground users varied with each scenario. Scenario three—which assumed the highest occupancy rates—correspondingly had the most campground users at an estimated 4,392 (Table 2). Scenario four—with the lowest occupancy rates—had the lowest number of campground users at an estimated 2,160.

**Table 2: Potential Fairmont campground user scenarios**

| | Scenario 1 | Scenario 2 | Scenario 3 | Scenario 4 | Scenario 5 |
|---|---|---|---|---|---|
| Number of slots | 30 | 20 | 30 | 30 | 30 |
| People per slot | 3 | 3 | 3 | 3 | 2 |
| **Total maximum people per night** | **90** | **60** | **90** | **90** | **60** |

| | | | | | |
|---|---|---|---|---|---|
| Number of weekend nights | 32 | 32 | 32 | 32 | 32 |
| Occupancy rates | 75% | 75% | 90% | 50% | 75% |
| **Projected number of people on weekends** | **2,160** | **1,440** | **2,592** | **1,440** | **1,440** |
| Number of week nights | 80 | 80 | 80 | 80 | 80 |
| Occupancy rates | 25% | 25% | 25% | 10% | 25% |
| **Projected number of people during week** | **1,800** | **1,200** | **1,800** | **720** | **1,200** |
| **Total annual number of campground users** | **3,960** | **2,640** | **4,392** | **2,160** | **2,640** |

Source: University of Minnesota Extension estimates

## Estimating Campground User Spending

Campground user spending can be estimated by taking per user spending and multiplying that amount by the number of expected campground users. Per user spending came from the Fairmont visitor profile and the number of total campground users from Extension's above estimates.

### Per Campground User Spending

Results from the visitor profile showed that, on average, each visitor reported spending $108.50 per day during their stay in Fairmont (Table 3). Major expenditures included lodging, dining out, and transportation.

The average lodging fee is for all visitors staying in Fairmont, including those staying at hotels. In Extension's scenarios, those staying in a campground would pay a campground fee, which is lower than a hotel room rate. Rates at comparable city- and county-owned parks ranged from $25 to $30 per night, depending on the availability of water and electricity. Using the rate of $30 per day and an average of three people per site, the average spending per person for campground lodging would be $10.

For purposes of this report, it will be assumed the average campground user would spend $71 per day while camping at the proposed city-owned campground. For a family of four, this would be $284 of daily spending.

**Table 3: Average per visitor spending, Fairmont**

| Category | Visit Fairmont Survey | Campground User Estimates |
|---|---|---|
| Lodging | $47.50 | $10.00 |
| Dining out | $23.60 | $23.60 |
| Transportation | $13.50 | $13.50 |
| Groceries | $7.50 | $7.50 |
| Shopping | $7.00 | $7.00 |
| Entertainment | $4.00 | $4.00 |

| | | |
|---|---|---|
| Miscellaneous | $2.50 | $2.50 |
| Indoor Recreation | $1.50 | $1.50 |
| Outdoor Recreation | $1.40 | $1.40 |
| Total | $108.50 | $71.00 |

Source: University of Minnesota Tourism Center

### Total Potential Spending

Based on average daily spending, Extension then estimated total spending by campground users under each of the five scenarios (Table 4). The highest total spending would occur under scenario three, which assumed 90 percent occupancy on weekends and three people per campsite. The lowest total spending would occur under scenario four, which assumed the lowest occupancy rates (50 percent on weekends, 10 percent on weekdays).

**Table 4: Estimated total campground user spending by scenario**

| | Scenario 1 | Scenario 2 | Scenario 3 | Scenario 4 | Scenario 5 |
|---|---|---|---|---|---|
| Estimated number of campground users | 3,960 | 2,640 | 4,392 | 2,160 | 2,640 |
| Estimated campground spending by users | $281,160 | $187,440 | $311,832 | $153,360 | $187,440 |
| Estimated resident spending (reside in/near Fairmont), 60 percent | $168,696 | $112,464 | $187,099 | $92,016 | $112,464 |
| Estimated visitor spending (reside outside Fairmont), 40 percent | $112,464 | $74,976 | $124,733 | $61,344 | $74,976 |

Source: University of Minnesota Extension estimates

Economic impact studies also consider the source of spending for tourism-related analyses. Economists argue spending by local residents would have occurred in the region, regardless if the facility existed. In other words, if there were no campground available, local residents would still go out to dinner, buy groceries, and engage in recreational activities in Fairmont. Visitors, it is argued, bring new money into the economy. Based on experiences in other communities, it is assumed 60 percent of campground users would be from the local area and 40 percent would be visitors.

## Indirect and Induced Effects

Indirect effects are those associated with a change in economic activity due to spending for goods and services directly tied to the campground. As campground users make purchases, this creates an increase in purchases across the supply chain. Indirect effects are the sum of these changes across an economy.

Induced effects are those associated with a change in economic activity due to spending by the employees of businesses (labor) and by households. These are economic changes related to spending by people directly employed to provide services to campground users. Induced effects are the sum of these changes across an economy. They also include household spending related to indirect effects.

Input-output models trace the flow of dollars throughout a local economy and capture the indirect and induced, or secondary, effects of an economic activity. To quantify the indirect and induced

effects of a potential campground for this analysis, the direct effects were entered into the input-output model IMPLAN. This analysis uses IMPLAN version 3.0 with SAM multipliers.[5]

## Total Effects

The potential economic contribution of a new lakeside campground in Fairmont ranged from a low of $187,200 (scenario four) to a high of $380,713 (scenario three). Individual results from these scenarios are shown in Table 5.

Under scenario three, campground users would directly spend $311,800 during their campground stay. This would generate an estimated $40,800 in indirect (business-to-business) effects. For example, these effects might arise as the local bakery owner—whose store is visited by campground users—uses a local accountant to prepare his or her taxes. It would also generate $28,100 in induced (consumer-to-business) effects, which might arise as bakery employees use their income from campground users to pay rent or buy groceries.

**Table 5: Potential economic contribution, measured in output, of a proposed lakeside campground in Fairmont, Minnesota**

| Output | Scenario 1 | Scenario 2 | Scenario 3 | Scenario 4 | Scenario 5 |
|---|---|---|---|---|---|
| Direct | $ 281,160 | $ 187,440 | $ 311,832 | $ 153,360 | $ 187,440 |
| Indirect | $ 36,792 | $ 24,582 | $ 40,806 | $ 20,069 | $ 24,582 |
| Induced | $ 25,313 | $ 16,875 | $ 28,075 | $ 13,807 | $ 16,875 |
| Total | $ 343,265 | $ 228,897 | $ 380,713 | $ 187,236 | $ 228,897 |

Source: University of Minnesota Extension estimates

Sixty percent of campground users were projected to be local residents. Local residents using city-owned facilities are important, as they pay taxes to support the campground. If they choose to visit a campground, they are showing support for a local facility.

Forty percent were projected to be visitors. Visitors are important as well, as they bring new money into the economy. This is money that likely would not have been spent at local businesses if not for the campground.

Table 6 shows the potential breakdown of local user versus visitor spending under each scenario.

**Table 6: Potential total economic contribution, measured in output, of a proposed lakeside campground in Fairmont, Minnesota, visitors versus local users**

| Output | Scenario 1 | Scenario 2 | Scenario 3 | Scenario 4 | Scenario 5 |
|---|---|---|---|---|---|
| Local Users | $ 205,959 | $ 137,338 | $ 228,428 | $ 112,342 | $ 137,338 |
| Visitors | $ 137,306 | $ 91,559 | $ 152,285 | $ 74,894 | $ 91,559 |

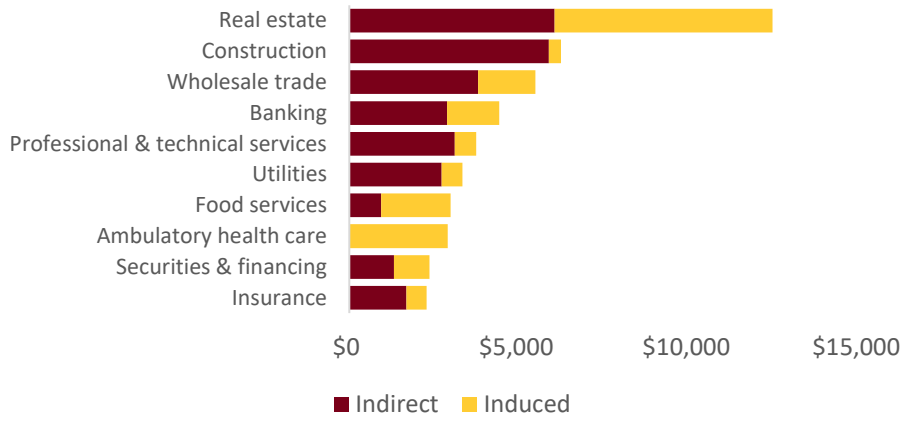
Source: University of Minnesota Extension estimates

[5] www.implan.com

## Top Industries Impacted

Understanding the industries most affected by a proposed campground can be useful. Under scenario three (the highest impact), of the $380,700 of potential economic activity generated, $68,900 is projected to be at businesses not directly serving campground users. The industries not serving campground users—but expected to feel the largest impacts from it—include real estate, construction, and wholesale trade (Chart 6). Indirect effects are projected to be largest in real estate and construction. Induced effects are anticipated to be highest in real estate and ambulatory health care (primarily doctors and dentists), which is not surprising as housing and health care are major components of a household's budget.

**Chart 6: Top industries impacted, measured in output, of a proposed lakeside campground in Fairmont, Minnesota, scenario 3**




Since the distribution of campground users' expenditures was modeled the same under each scenario, the top industries affected would be the same. The magnitude of the effect, however, would change.

## CAMPGROUND IN THE CONTEXT OF THE MARTIN COUNTY ECONOMY

In 2017, businesses and enterprises in Martin County created $242.8 billion in output. Major industries included manufacturing, agriculture and forestry, and professional and business services (Chart 7).

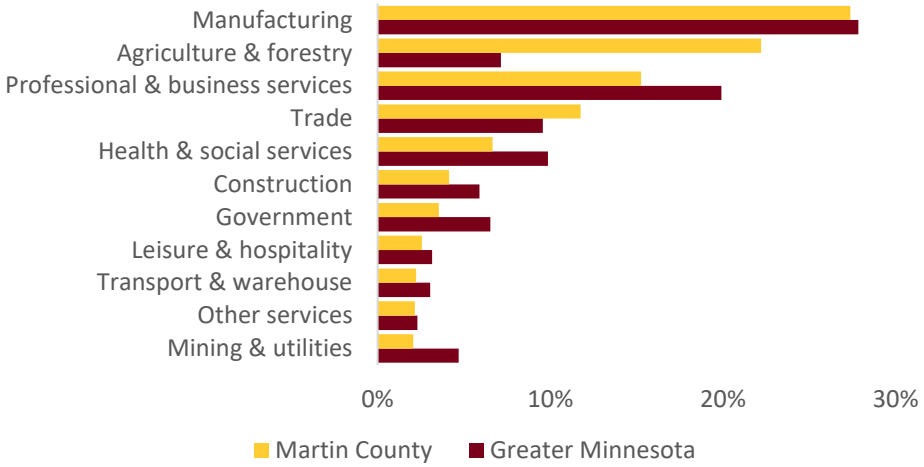
Compared to Greater Minnesota, Martin County has a greater share of its output stemming from agriculture and trade. In Martin County, 22 percent of output comes from the agriculture and forestry industry, compared to 8 percent in Greater Minnesota. Trade accounted for 16 percent of Martin County output, compared to 10 percent in Greater Minnesota. Trade includes retail trade (including Main Street and big box retailers) and wholesale trade.[6] The higher trade number might, in part, be due to the strong agricultural economy. Grain elevator businesses, for example, which buy grain in bulk and sell, are considered wholesale trade companies.

Martin County has approximately the same percent of output from the leisure and hospitality industry (the industry in which campgrounds would fall), as Greater Minnesota, with 2.6 percent of

[6] Wholesale trade is a form of trade in which goods are purchased and stored in large quantities and sold in batches of a designated quantity to resellers, and professional users or groups, but not to final consumers.

output in the county versus 3.2 percent in the state. In Martin County, there was $61.4 million of output from the leisure and hospitality industry (hotels, restaurants, entertainment, etc.) in 2017.

**Chart 7: Output by industry, Martin County versus Greater Minnesota, 2017**




## NOTES ON THE ANALYSIS

The goal of this analysis was to determine the potential economic contribution of a proposed campground in Fairmont. It is not a feasibility study. Rather, this report provides insight into the potential size, use, and economic value of a campground. It does not quantify any potential costs.

When interviewing campground operators for this study, there were two areas of potential costs—development costs and operating costs. In the short-term, there would be costs associated with developing campsites. Experienced operators recommended full hook-ups, as this is most attractive to campers. While not having full hook-ups can make attracting campground users more difficult, providing water and electric services would require a financial investment. Long term, there will be costs to operate the site. There will need to be a registration system, along with a way to pay fees. Many campgrounds also have a caretaker who stays on-site and provides oversight.

Experienced campground operators also encouraged creative ways of keeping the campsite occupied during the week. This is important from not only a revenue standpoint but also from an appearance perspective. A campground with activity, people, RVs, and tents is more appealing to potential users than an empty one. Ideas for attracting weekday users might include being flexible about length of stay and having parks and recreation activities scheduled throughout the week.